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**FILED**  
IN CLERK'S OFFICE  
U.S. DISTRICT COURT E.D.N.Y.

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BROOKLYN OFFICE

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

-----X  
ASSE INTERNATIONAL, INC.,

Plaintiff,

-against-

STUDENT MANAGEMENT GROUP, INC. and  
WAYNE E. BREWER,

Defendants. :  
-----X

Case No.

**07 901**

**BIANCO, J.**

**COMPLAINT LINDSAY, M.J.**

Jury Trial Demanded on  
Issues Triable by Jury

Plaintiff ASSE INTERNATIONAL, INC. ("ASSE"), by its attorneys Menaker & Herrmann LLP, for its complaint against defendants STUDENT MANAGEMENT GROUP, INC. ("SMG") and WAYNE E. BREWER ("Brewer"), alleges as follows:

#### NATURE OF ACTION

1. ASSE brings this action for injunctive relief to prevent continuing and irreparable injury, and to recover monetary damages, by reason of defendants' unlawful and intentional interference with ASSE's contractual and business relationships; aiding and abetting breaches of fiduciary duties owed to ASSE; unfair competition in violation of New York law; and misappropriation of ASSE's assets and confidential proprietary information.

## THE PARTIES

2.. Plaintiff ASSE, a California non-profit corporation, with its principal place of business in Laguna Beach, California, is devoted to the work of organizing and running international student exchange programs. It has a more than 60-year history and has existed in its current form as a California not-for-profit corporation since 1976.

3. On information and belief, defendant SMG is a New York business corporation, with its principal place of business in Babylon, Suffolk County, New York. On information and belief, SMG manages and operates International Student Exchange, Inc. ("ISE"), a tax-exempt not-for-profit corporation, and three other student exchange entities (the "SMG Entities"), all of which compete with ASSE for the patronage of students seeking a foreign exchange experience.

4. On information and belief, defendant Brewer is a citizen of the State of New York and is the Chief Executive Officer of both SMG and ISE, with his principal office in Babylon, Suffolk County, New York.

## JURISDICTION AND VENUE

5. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1332(a)(1) in that plaintiff ASSE is a California corporation with its principal place of business in California; defendants are, on information and belief, an individual who resides in New York and a New York corporation with its principal place of business in New York; and the matter in controversy exceeds, exclusive of interest and costs, the sum of \$ 75,000.

6. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(a)(1) because, on information and belief, defendants SMG and Brewer both reside in the Eastern District of New York.

## FACTS

### A. Background

7. ASSE is one of the oldest international **student** exchange organizations in the world. It was originally established as the American Scandinavian Student Exchange by the Swedish Government to organize student exchange programs **between** Sweden and the United States. Soon other countries elected to participate, and ASSE now **conducts** student exchange programs with over 50 countries on six continents.

8. ASSE is officially designated by the **United States** Department of State as an “exchange visitor” program and has also been listed by the **Council** on Standards for International Educational Travel (“CSEIT”) since its inception.

9. Each year ASSE places hundreds of **students** from countries throughout the world with host families in the United States and, through its **foreign** affiliates, places American students with families abroad. By providing opportunities for **young** people to live with families and experience first hand the language, customs and culture of **other** countries, ASSE strives to foster international understanding and goodwill.

10. ASSE has 38 offices in 31 countries, **including** its headquarters in California, an international coordinating office in Germany, and three **regional** offices in the United States.

11. ASSE’s **business** and reputation, **both at** home and abroad, depend on its ability to place foreign students with caring and responsible **host** families in the United States. Having a sufficient inventory of volunteer host families is **one** of the most important needs and challenges of ASSE’s United States operations. Without **host** families, ASSE would fail in its mission of providing an exceptional educational and cultural **experience** for students visiting the United States from foreign countries.

12. Over the years, it has become increasingly difficult to find American families willing to host foreign students in their homes, and competition for those families among foreign exchange programs has increased. Accordingly, ASSE devotes substantial resources to developing and maintaining relationships with suitable host families.

13. A great deal of time and effort goes into identifying families who are willing to house a foreign exchange student. ASSE has found most of its Host Families through Regional Office publicity about the program, newspaper advertising, networking by regional and local personnel and word of mouth.

14. Once identified, prospective Host Families are carefully screened. An ASSE representative visits each home and collects detailed information relevant to pairing particular students with particular families. ASSE also obtains, for each prospective Host Family, highly confidential information about matters such as health, family background and criminal history. For each prospective Host Family, ASSE requires and checks three personal references.

15. ASSE builds its relationships with its host families primarily through its local Area Representatives. ASSE's Area Representatives play crucial roles in recruiting and screening potential host families, in pairing families with appropriate students and in providing counseling and support to families and students during the home stays. The Area Representatives also interview and assist in selecting American students for participation in ASSE's programs abroad ("outbound students"). ASSE's Area Representatives, like host families, serve on a volunteer basis, receiving a small stipend to cover expenses.

16. Historically, ASSE has recruited its volunteer Area Representatives through word of mouth, public service announcements, and more recently its web site. ASSE also screens prospective Representatives, requiring two references, personal interviews and a criminal

background check.

17. ASSE engages 17 paid Area Coordinators in the United States to serve as the link between ASSE's national and regional offices and ASSE's volunteer network of Area Representatives and host families. The Area Coordinators are assigned to particular geographic territories within one of ASSE's three regions, and they report to the ASSE Regional Director for their region.

18. The Area Coordinators assist in recruiting and selecting new Area Representatives, host families and outbound students. They also train Area Representatives, supervise and support student/family placements, and act as official ASSE spokespeople within their territories. In each of the regions, they are the professionals who serve as the public face of ASSE.

19. ASSE entrusts its Area Coordinators with full access to its confidential records regarding its past and present host families, Area Representatives and exchange students in their territories. Each Area Coordinator receives a password to access ASSE's database for his or her territory, which contains much of the detailed and highly confidential information ASSE collects about its Area Representatives and host families.

20. ASSE's detailed information about Host Families and Area Representatives has been gathered by ASSE over many years and would be extremely difficult to duplicate from scratch. It is critical to ASSE's operations and of great competitive value. Most of this information is not public. It has been treated by ASSE as proprietary and confidential information and constitutes trade secrets.

**B. The Agreement Between ASSE and its Area Coordinators**

21. ASSE enters into a written one-year term agreement with each of its Area Coordinators whereby ASSE engages them to assist it with its inbound and outbound student



exchange programs for a one-year program cycle (the “Annual Program”). A copy of ASSE’s Area Coordinator Agreement is attached (the “Coordinator Agreement”).

22. Each Area Coordinator receives an **annual** fee from ASSE under the applicable Coordinator Agreement.

23. The Coordinator Agreement contains **several** provisions aimed at ensuring their loyalty to ASSE and protecting the confidentiality of ASSE’s proprietary information:

- a. Paragraph 5 of the Agreement provides that the Area Coordinator will not represent any other student exchange **program** while acting as an ASSE Area Coordinator.
- b. Paragraph 6a of the Agreement states: “During the course of your duties under this Agreement you will be **maintaining** existing contacts and establishing new contacts with various **individuals** including, but not limited to, ASSE Area Representatives, Host **Families**, exchange student customers, government officials, and school **personnel**. You agree that all information not generally known by non-ASSE **personnel** of which you have knowledge or access as a result of your relationship with ASSE (“Confidential Information”), is a trade secret **belonging exclusively** to ASSE and shall not be disclosed by you, directly or indirectly, or be used by you, directly or indirectly, for any purpose, either **during** the Term of this Agreement or at any time thereafter, except as **required** in the course of your duties hereunder.”
- c. Paragraph 6b of the Agreement states: “**All** records, books and other property relating in any manner whatsoever to the **business** of ASSE, whether prepared by you or otherwise coming into your **possession**, shall become and remain the exclusive property of ASSE. You **shall** immediately return any such books, records and property to ASSE **upon** termination of this Agreement.”
- d. Paragraph 7 of the Agreement is **headed** “Confidentiality and Non-solicitation.” It provides: “ASSE’s **high** school exchange students, their parents and volunteer Host Families **rely** heavily upon ASSE’s local volunteer Area Representatives for advice, support and assistance during their participation in ASSE programs. The ASSE network of local volunteers is available to provide for the health, **safety** and welfare of the young student participants and the support and assistance for the parents, host parents and high schools. In recognition of ASSE’s **needs** and the participants’ need for ASSE to preserve and protect this **volunteer** system, you agree that you will not, both **during** and subsequent to the Term of this Agreement, either directly or indirectly: (1) make known to **any** person, firm or corporation the

names, addresses, telephone numbers or other personal details of any of the ASSE Area Representatives or the ASSE Host Families or student participants for which they and you **are** responsible; (2) attempt to call on, solicit or take away any of the ASSE Area Representatives or the ASSE Host Families, either for yourself or for any **other** person, firm or corporation; (3) commit any act that directly or indirectly obstructs or prevents ASSE from successfully attaining its stated program goals and objectives, including placing or recruiting exchange students in your Territory.”

- e. Paragraph 9 of the Agreement states: “**Because of the unique and special nature of the Confidential Information, you understand and agree that ASSE will suffer irreparable harm in the event that you fail to comply with Paragraphs 6, 7 and 8 above and that monetary damages will be inadequate to compensate ASSE for such breach. Accordingly, you agree that ASSE will, in addition to any other remedies available to it at law or equity, be entitled to injunctive relief to enforce the terms of Paragraphs 6, 7 and 8 above.**”

24. Because of the need to coordinate ASSE’s exchange programs with the academic programs in which its students participate, it is of **great** importance to ASSE that program deadlines be met and, to avoid disruption and delay, that **Area** Coordinators continue to serve in their positions for the entire one-year program cycle (the “Annual Program”). Among other things, the Coordinator Agreement contains the following provisions aimed at insuring that Area Coordinators will begin and complete the Annual Program:

- a. That the Annual Program is an indivisible program, and that the Area Coordinator commits to completing **the entire** Annual Program and to meeting certain deadlines for recruiting **and** training volunteers;
- b. That the Area Coordinator will continue **acting** as an ASSE Area Coordinator during the **entire** term of the agreement **unless** s/he gives ASSE three months prior notice of intent to terminate **and** ASSE is able to obtain and train a suitable replacement to complete the Annual Program; and
- c. That time is of the essence for each **and every** provision of the Agreement.

### **C. Defendants’ Unlawful Actions**

25. On information and belief, defendants **have** embarked on a campaign to hire

away ASSE's Area Coordinators and use the Coordinators' confidential information to lure ASSE's host families and Area Representatives to SMG Entities.

26. Between November 2006 and February 2007, five of ASSE's Area Coordinators terminated their contracts before completion of ASSE's Annual Program (the "Terminating Coordinators"). (During the same period, a sixth Coordinator initially gave notice of termination and then changed her mind). All had renewed their contracts with ASSE in late August or early September 2006. None of the Terminating Coordinators gave the full three months prior notice required by their contracts.

27. It is unprecedented for ASSE to lose such a high percentage of its Area Coordinators before completion of their contract terms.

28. The Terminating Coordinators were among ASSE's most experienced and productive Coordinators.

29. On information and belief, four of the Terminating Coordinators joined ISE and the fifth went to work directly for defendant SMG.

30. On information and belief, while Area Coordinators are still under contract with ASSE and thereafter, defendants have supplied them with information about ISE, and with false and disparaging information about ASSE, and encouraged them to contact ASSE Area Representatives and to persuade the Representatives and host families to leave ASSE and join SMG Entities.

31. On information and belief, defendants and the Terminating Coordinators have disparaged ASSE, distributed false and misleading information about ASSE, and used confidential ASSE information in attempting to persuade Coordinators, Area Representatives and host families to leave ASSE and join SMG Entities.



32. To date, more than half of the Area Representatives in the territories managed by the Terminating Coordinators have informed ASSE that **they will** not be continuing with ASSE for the next program year.

33. These departing Area Representatives **were** responsible for approximately 250 student placements in their territories during the previous **program** year. This constitutes more than 75% of the placements made last year in the territories of the Terminating Coordinators.

34. ASSE receives approximately \$3000 to \$5000 in revenue per student placement. Thus, 250 lost placements would cost ASSE **well** in excess of \$750,000 in lost revenues for the upcoming program year.

35. On information and belief, defendants' **wrongful** attempts to induce ASSE's Area Coordinators, Area Representatives and host families to leave ASSE and join SMG Entities are continuing.

36. ASSE will be required to substantially **increase** its paid advertising and other efforts to recruit new Area Representatives and host families in an effort to replace volunteers lost because of defendants wrongful conduct, but it is highly **unlikely** that ASSE will be able to recruit enough new volunteers at this point in the program year to avoid substantial impairment of its volunteer network and its ability to place exchange students for **this** and future program years.

37. A substantial loss in placements would **gravely** impair ASSE's reputation and relationships with its foreign partners, who rely on ASSE to **place** their foreign students in ASSE's United States program and who place American students **referred** by ASSE with families abroad.

38. On information and belief, defendants **are** and have been aware during the relevant period of the existence and essential terms of ASSE's **contracts** with Area Coordinators and are also aware of how disruptive it is to lose key personnel and **volunteers** in the middle of a program

year.

39. On information and belief, defendants' **actions** are malicious and intended to injure ASSE's business.

40. As a result of defendants' wrongful **conduct**, ASSE has incurred and, unless defendants are restrained, will continue to incur not only **substantial** diminution in revenue but also irreparable injury to its volunteer network and its reputation **both** here and abroad.

**FIRST CLAIM FOR RELIEF**  
(Interference with Contract)

41. Plaintiff repeats and realleges the **allegations** in paragraphs 1 through 40 above.

42. On information and belief, with **knowledge** of the existence of the Coordinator Agreements between ASSE and its Area Coordinators, and **with intent** to induce breach, defendants induced the Terminating Coordinators to breach their obligations to ASSE under the Coordinator Agreements.

43. By reason of defendants' wrongful **acts**, plaintiff has suffered and will continue to suffer money damages and irreparable injury to its **business** and reputation.

**SECOND CLAIM FOR RELIEF**  
(Aiding and Abetting Breach of Duty of Loyalty)

44. Plaintiff repeats and realleges the **allegations** in paragraphs 1 through 43 above.

45. While their Coordinator Agreements are in force, ASSE's Area Coordinators owe a duty of undivided loyalty to ASSE.

46. At all times, ASSE's Area Coordinators **owe** a duty to ASSE not to disclose ASSE's confidential information and trade secrets and not to **use** them in competition with ASSE.

47. On information and belief, Terminating Coordinators have breached their duties of loyalty to ASSE by using ASSE's resources, including its confidential and proprietary information, to solicit Area Representatives and host families for SMG Entities while the Coordinators were still under contract with ASSE and thereafter.

48. On information and belief, with knowledge of the duty of loyalty owed by ASSE's Area Coordinators to ASSE, defendants have encouraged and substantially assisted ASSE Area Coordinators in breaching their duty of loyalty to ASSE.

49. By reason of defendants' wrongful acts, plaintiff has suffered and will continue to suffer money damages and irreparable injury to its business and reputation.

**THIRD CLAIM FOR RELIEF**  
(Unfair Competition)

50. Plaintiff repeats and realleges the allegations in paragraphs 1 through 49 above.

51. On information and belief, defendants have unfairly misappropriated the expenditures and labors of ASSE for the commercial advantage of defendants and the SMG Entities.

52. By reason of defendants' wrongful acts, plaintiff has suffered and will continue to suffer money damages and irreparable injury to its business and reputation.

**FOURTH CLAIM FOR RELIEF**  
(Misappropriation of Confidential Proprietary Information and Trade Secrets)

53. Plaintiff repeats and realleges the allegations in paragraphs 1 through 52 above.

54. On information and belief, defendants have obtained ASSE's confidential and proprietary information and trade secrets by improper means and have used them for the benefit of defendants and the SMG Entities.

55. By reason of defendants' wrongful **acts**, plaintiff has suffered and will continue to suffer money damages and irreparable injury to **its business and reputation**.

**FIFTH CLAIM FOR RELIEF**  
(Tortious Interference with Prospective **Business Relations**)

56. Plaintiff repeats and realleges the **allegations** in paragraphs 1 through 55 above.

57. On information and belief, with **knowledge** of ASSE's business relationships with its Area Coordinators, Area Representatives and host **families**, defendants have intentionally interfered with those relationships by use of wrongful means.

58. By reason of defendants' wrongful **acts**, plaintiff has suffered and will continue to suffer money damages and irreparable injury to **its business and reputation**.

WHEREFORE, plaintiff ASSE demands judgment **against** defendants as follows:

- A. Awarding to plaintiff compensatory **damages** in an amount to be determined at trial, together with prejudgment **interest**;
- B. Awarding **punitive damages** sufficient to punish defendants for their malicious conduct;
- C. Permanently and preliminarily enjoining **and** restraining defendants, their agents, employees, servants, **representatives**, attorneys, related companies, successors, assigns, and all others under **their** control or acting in concert with either of them from:
  - i. using ASSE's proprietary and **confidential** information relating to ASSE's network of Host Families and Area Representatives;
  - ii. soliciting any ASSE Area Coordinators, Area Representatives or Host Families to leave ASSE and join **SMG** or any SMG Entity during the

contract year which ends September 30, 2007 (the "2006/07 Contract Year") ;

- iii. receiving or accepting professional services from any ASSE Area Coordinators or Area Representatives on behalf of SMG or any SMG Entities during the 2006/07 Contract Year; and
- iv. contracting to obtain student housing from any ASSE Host Families who previously worked with any of the Terminating Coordinators while they worked for ASSE.

D. Awarding to ASSE its costs and disbursements in this action; and

E. Awarding such other and further relief as the Court deems just and proper.

Dated: March 2, 2007

MENAKER & HERRRMANN LLP

By: Richard G. Menaker  
Richard G. Menaker (RM-4716)

Attorneys for Plaintiff  
10 East 40<sup>th</sup> Street  
New York, New York 10016  
(212) 545-1900

TO: WAYNE A. BREWER  
STUDENT MANAGEMENT GROUP, INC.  
119 Cooper Street  
Babylon, NY 11702



Exhibit to Complete  
Agreement Coordinator Agreement



Dear

This letter agreement (the "Agreement") will confirm the terms and conditions of the agreement between you and ASSE International, Inc. ("ASSE") pursuant to which you will act as the ASSE Area Coordinator for the Florida, Georgia and South Carolina Area (your "Territory"). As the ASSE Area Coordinator for your Territory, you will assist ASSE in implementing its inbound and outbound international student exchange programs for the high school academic year beginning in August/September 2007 (the "Annual Program") and its international student exchange programs for the summer of 2007 and for the academic year beginning in January 2008.

1. Program Definition, Term and Commitment.

ASSE has engaged you to begin and complete the Annual Program during the period October 1, 2006 through September 30, 2007 (the "Term"). The Annual Program is an indivisible program, comprised of four basic components: (a) developing, expanding, training and maintaining an adequate Territory-wide network of local community volunteers ("Area Representatives"); (b) placing foreign exchange students with qualified host families and high schools; (c) recruiting qualified high school students to participate in a foreign student exchange program; and (d) providing support and assistance to Area Representatives and participants (students and host families) while promoting the best interests of ASSE and the Annual Program in your Territory. By signing this Agreement you commit yourself to completing the entire Annual Program.

2. Elements of the Annual Program.

To complete the Annual Program you must satisfy all of the following tasks within the time periods provided:

- a. By January 31, 2007, complete all recruitment and training of no less than ( ) qualified ASSE Area Representatives in your Territory.

A WORLD OF UNDERSTANDING THROUGH CROSS-CULTURAL AND EDUCATIONAL PROGRAMS

USA & INT'L HEAD OFFICE  
228 North Coast Highway  
Laguna Beach, CA 92651 USA  
Telephone: (949) 494-4100  
FAX: (949) 497-8235

CANADA OFFICE  
7 rue de la Communauté, Ste 204  
Montreal, QC H2Y 2C5  
Telephone: (514) 287-1814  
FAX: (514) 281-1525

NEW ZEALAND OFFICE  
P. O. Box 35 897  
Browns Bay, Auckland  
1311 New Zealand  
Telephone: (649) 476-4052  
Fax: (649) 476-4053

- b. By August 1, 2007, obtain suitable, volunteer host families for a minimum of ( ) ASSE academic year and semester students, the suitability to be determined by ASSE in its sole and absolute discretion.
- c. Ensure that no less than ( ) of the ASSE Area Representatives in your Territory who have been recruited and trained [as per Paragraph 2(a)], have properly completed at least one (1) confirmed 2007/08 full term academic year or semester placement (exchange student placed with a qualified host family and high school) by June 30, 2007.
- d. Ensure that all ASSE Area Representatives in your Territory are active in both the recruitment of qualified exchange students to spend a year or summer abroad and the recruitment of qualified families to host exchange students for an academic year or semester.
- e. Ensure that ASSE Area Representatives in your Territory thoroughly and properly recruit and screen all exchange students and host families and conscientiously supervise all exchange students in your Territory.
- f. Direct, assist and support the ASSE Area Representatives in your Territory in connection with their supervision of ASSE exchange students and host families.
- g. Be responsible for the recruitment of at least ( ) students from your Territory for ASSE's Academic Year and Summer Programs abroad.
- h. Report to the ASSE Regional Director having jurisdiction over your Territory.
- i. Conform to the standards and perform the responsibilities contained in the most recent ASSE Area Representatives Manual, incorporated herein by this reference.
- j. Attend and constructively participate in a four (4) day ASSE regional staff meeting in late summer or early fall.

3. Program Management Fee.

- a. Program Management Fee. Your Program Management Fee for completion of the Annual Program shall be \$ . For your convenience, ASSE will pay the Program Management Fee to you in twelve (12) equal monthly installments at the end of each month during the Term of this Agreement. All payments to you will terminate upon termination of this Agreement by ASSE or you or upon your failure to act as an ASSE Area Coordinator for any reason.



- b. Bonus - Outbound Program. If on or before August 1, 2007 you deliver completed application packages to your ASSE Regional Office for at least ( ) qualified student participants as determined by ASSE, in its sole and absolute discretion, for ASSE's Academic Year and Summer Programs, ASSE agrees to pay you a bonus of \$20.00 for each participating student. For purposes of this paragraph "Qualified Student Participant" means a student who meets all of the qualifications outlined in ASSE's Area Representative Manual, has paid all fees in full and has departed with his/her group to participate in the ASSE program. Your bonus under this paragraph, if any, will be payable to you on or before September 30, 2007.

4. Expenses.

ASSE will reimburse you for all reasonable and necessary administrative and operational expenses incurred by you in the normal course of business while managing the Annual Program as the Area Coordinator in your ASSE Territory, provided that you have received prior approval for expenditures on behalf of ASSE and that you, at the end of each month for the expenses incurred during such month, submit to ASSE sufficient original receipts or other records in acceptable format to support your claim. ASSE will provide you with an advance for expenses, provided however, that you agree to submit monthly expense reports as described above and that upon termination of your association with ASSE, any amount not so accounted for will represent a debt owed by you to ASSE and may, in addition to any other remedy sought by ASSE, be withheld by ASSE from any monies due to you by ASSE.

5. Independent Contractor.

As an ASSE Area Coordinator, you will be an independent contractor and not an employee of ASSE. Subject to the standards outlined above and to the condition that you not represent any other student exchange program while you are acting as an ASSE Area Coordinator, the manner in which, and the times at which, you provide services as an ASSE Area Coordinator will be subject to your judgment and discretion.

Nothing in this agreement shall be construed as creating an employee, agency, partnership, joint venture or any other relationship between you and ASSE. You will not have any claim under this Agreement or otherwise, against ASSE for salary, vacation pay, paid holiday, sick leave, retirement benefits, social security, workers' compensation, disability, or any other employee benefit of any type.

6. Non-disclosure of information and ownership of ASSE name.

- a. Confidential Information. During the course of your duties under this Agreement you will be maintaining existing contacts and establishing new contacts with various individuals including, but not limited to, ASSE Area Representatives, host families, exchange student customers, government officials, and school personnel. You agree

that all information not generally known by non-ASSE personnel of which you have knowledge or access as a result of your relationship with ASSE, ("Confidential Information"), is a trade secret belonging exclusively to ASSE and shall not be disclosed by you, directly or indirectly, or be used by you, directly or indirectly, for any purpose, either during the Term of this Agreement or at any time thereafter, except as required in the course of your duties hereunder.

- b. Books and Records. All records, books and other property relating in any manner whatsoever to the business of ASSE, whether prepared by you or otherwise coming into your possession, shall become and remain the exclusive property of ASSE. You shall immediately return any such books, records and property to ASSE upon termination of this Agreement.
- c. Limited Right to Use ASSE Name. You recognize that ASSE owns its name and all variations. While you are an Area Coordinator you may use ASSE's name for a limited purpose to carry out your tasks described above. Upon termination for any reason of your status as Area Coordinator or upon written direction from ASSE you will immediately cease to use ASSE's name or any variation, and will not use any email address that includes ASSE's name or variation.

7. Confidentiality and Non-solicitation.

ASSE's high school exchange students, their parents and volunteer host families rely heavily upon ASSE's local volunteer Area Representatives for advice, support and assistance during their participation in ASSE programs. The ASSE network of local volunteers is available to provide for the health, safety and welfare of the young student participants and the support and assistance for the parents, host parents and high schools. In recognition of ASSE's needs and the participants' need for ASSE to preserve and protect this volunteer system, you agree that you will not, both during and subsequent to the Term of this Agreement, either directly or indirectly: (1) make known to any person, firm or corporation the names, addressees, telephone numbers or other personal details of any of the ASSE Area Representatives or the ASSE host families or student participants for which they and you are responsible; (2) attempt to call on, solicit or take away any of the ASSE Area Representatives or the ASSE host families, either for yourself or for any other person, firm or corporation; (3) commit any act that directly or indirectly obstructs or prevents ASSE from successfully attaining its stated program goals and objectives, including placing or recruiting exchange students in your Territory.

8. Termination.

- a. By ASSE. In the event that ASSE desires to terminate this Agreement for any reason whatsoever, including, but not limited to, your failure to properly recruit, train and supervise the minimum number of Area Representatives who place and supervise



one or more students [as per Paragraph 2(c)], ASSE may do so, by providing you with one (1) month prior written notice pursuant to Paragraph 14. Upon termination you shall, to the extent possible, immediately cease to perform your duties under this Agreement.

- b. By you. You agree to continue acting as an ASSE Area Coordinator during the entire Term of this Agreement unless (i) you have given ASSE three (3) months prior written notice pursuant to Paragraph 14 and (ii) ASSE has, with your assistance, obtained and trained a replacement to complete the Annual Program who, in ASSE's sole and absolute discretion, is qualified and acceptable to act as the ASSE Area Coordinator for your Territory. If you continue during this three month period to perform the tasks described in Paragraph 2 in a timely and satisfactory manner and ASSE finds a qualified and acceptable replacement ASSE Area Coordinator, then you shall be entitled to continue to receive monthly installments of the Program Management Fee.

9. Remedies.

Because of the unique and special nature of the Confidential Information, you understand and agree that ASSE will suffer irreparable harm in the event that you fail to comply with Paragraphs 6, 7 and 8 above and that monetary damages will be inadequate to compensate ASSE for such breach. Accordingly, you agree that ASSE will, in addition to any other remedies available to it at law or equity, be entitled to injunctive relief to enforce the terms of Paragraphs 6, 7 and 8 above.

In the event that either party should breach or violate any of the covenants or representations contained in this Agreement, the other party shall be entitled to exercise any right or remedy available to it at law or in equity, including but not limited to the right to seek damages and/or injunctive relief.

10. Attorneys Fees.

If any action or proceeding is brought in connection with this Agreement by either you or ASSE, the prevailing party shall be entitled to recover from the losing party its attorneys fees and other costs incurred in connection with such action or proceeding.

11. Severability.

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

12. Assignability.

Your interest in this Agreement is personal and shall not be assigned, transferred, shared or divided in any manner except upon written consent of ASSE, which consent may be withheld in ASSE's sole and absolute discretion.

13. Notices.

Any payments required to be made or any notice required or desired to be given under this Agreement shall be made by mail, wire transfer or facsimile to the appropriate address shown below, until notice of a different address is given. Any notice given by depositing it with the National Postal Service, postage prepaid, shall be deemed given five (5) days after deposit.

ASSE

ASSE International, Inc.  
228 North Coast Highway  
Laguna Beach, California 92651 U.S.A.  
Fax No. 949-494-3579  
Attn: Pete Hayes  
Executive Director

AREA COORDINATOR

14. Time of the Essence.

Time is of the essence for each and every provision of this Agreement.

Please indicate your agreement with the foregoing terms by signing below and returning both signed copies of this Agreement to the Regional Director listed below. One original signed copy will be returned to you after the ASSE Regional Director has signed it.

Signed and agreed,

Signed and agreed,

ASSE Regional Director

Area Coordinator

Date: \_\_\_\_\_

Date: \_\_\_\_\_